

IMPACT OF FOOD ORDERING APPLICATIONS ON REVOLUTIONIZING THE INDIA MARKET WITH REFERENCE TO SWIGGY & ZOMATO

Prof. Ramesh Shahabade^{*1}, Anupama Singh^{*2}, Himanshu Mall^{*3}

^{*1,2,3}Department of Computer Engineering, University of Mumbai, Terna Engineering College, Nerul, Maharashtra, India.

ABSTRACT

The major recent development in the technologies has changed the whole outlook of Food Industry. Due to hectic lifestyle various Food Ordering Applications have surfaced out as vogue. With almost every eateries out there available just a few-clicks away, every other household favours ordering food online rather than cooking at home. Some of the most popular Food Ordering Apps are – Swiggy, Zomato, UberEats etc. Food Apps have link-ups with many food outlets or restaurants and acts as a linkage between consumers and restaurants. There are a numbers of aspects which leads to the rise in their sales which consists of easy convenient use , faster and quicker payment ways , multiplicity in options for restaurants and food items , reduced time of delivery , efficient customer service , attractive offers and discounts and much more which all increases the customers convenience. Shrinking rural- urban division with quick and easy access to mobiles has fastened the growth and adoption of Food Ordering Applications. Corporations have updated their strategies on contemporary world digital platform to keep up with the users evolving preferences and needs. In the paper, we specifically assess the rise and relevancy of Food Ordering Applications run by the eatery providers particularly the fast food chains in India as well as some of the ideas which could be embraced by them for unceasing business in the days to come.

KEYWORDS : Food Ordering Application, Technology, Food Products, Consumers, Strategies

I. INTRODUCTION

With the unfolding of 21st centurial, we could see our country, India at a advancing pace in the technological aspects. Youth of the country are excelling exceptionally in the epoch of latest modern innovations and technologies. Working class of people want to demonstrate exceptional work in their organizations and modern technology is playing a major role in helping them out and achieving the same. The tasks which seemed unfeasible are now becoming more feasible with the help of modern technological advancements. Nowadays, all kinds of businesses are establishing online systems with the help of technologies available. Reasons for such increasing establishments are availability of cheap smartphones and all the services that come with it with more and more people getting comfortable with its usage also. Such applications have made life easier with the product the customer wants to purchase, being just a few clicks away. Food ordering online defines a process, as the name suggests delivery of take out or food items from a local food diner or restaurant through a Mobile Application or a webpage. In this process , the consumer can choose whether to get the food delivered at their home or office address or get it picked up directly from the restaurant and can also decide from the various methods of payment which includes credit card , E-wallets , debit cards , smart cards , any other mobile wallet or Cash on Delivery (COD).

Indian customers get accustomed to online means of shopping experiences via websites and digital applications with utmost ease and see-through would like to experience the same when it comes to ordering food online as well. The call for ordering online is real and hassle-free. It informs the consumer class that you are modern growing restaurant who can adopt to various technological changes that comes in this evolving industry. The most important factor is that the applications need to be kept updated and enhancement of the quality and services provided should be in regular checks for the satisfaction of regular and new customers. With no queues behind them, the pressure of getting food as early as possible diminishes and it shifts to getting happy discounts or extra merchandises along with it. A lot of people know about Swiggy, UberEats, Zomato etc for their fast and quality servicing for the consumers from various regions, areas and clients along with remarkable taste.

II. METHODOLOGY

The objectives of this paper is summarized as follows :-

- (a) To perceive the recognition of various Food Ordering Applications amongst the customers or consumers.
- (b) To discover the expectations of the Application Users while ordering food products from a New Food Application.
- (c) To understand some of the strategies of Food Ordering Apps like Swiggy and Zomato.
- (d) To understand the influence of Food Ordering Applications on Restaurant industry.
- (e) To perceive viable conditions taken into consideration the consumers while using the Food Ordering Application.

III. MODELING AND ANALYSIS

3.1 Gathering Data :

This research is completely based on Secondary Data. Secondary Data consists of accommodating data and information about various Food Ordering Applications and various portals from Internet, Research Papers, television, discussion with friends and colleagues etc.

3.2 Indian Food Application Framework :

With the rise of digitization across the world, it left it's mark on the Indian Economy as well. The Food Ordering Systems have popped up across the country in bulk with ever-demanding services provided. The size of the Food market in India is expected to reach Rs. 56 lakh crore by 2022, reports BCG. Presently the market is estimated around \$350 billion. The modifications coming up with a lot if innovative catering techniques for their consumers comfort, contentment and maintenance. In general, these applications will help restaurants and diners to optimize and take control of their business. For waiters, it is making life simpler as they don't have to run back and forth from kitchen to the table. From the administration or management point of view, the manager will be able to handle the restaurant by possessing all records in hand and would also be able to view the details of each employee and order.

These applications assists the restaurants to do all its functions in a more quicker and efficient way. Such systems minimizes manpower and improves the quality of services provided by the restaurants. This also helps in maintaining the cash and stock flows of the food chain without much of a hassle. Some of the functionalities of such systems are as follows-

- To store all reports and records.
- Order Billings.
- Managing services and orders.
- Control multiple branches of respective restaurants.
- Maintain staff and their shifts.
- Allows the admin/manager to operate and organize each module of the restaurant.
- Customer details.
- Order Cancellations and Feedback.
- Discounts and Offers availed.
- Tracking of Orders and, Money Management.

So, the major motive is to keep track of restaurants function in a non-complicated and accurate manner and it also reduces the use of paper making it even more advantageous in terms of being environmental friendly. This software makes it easier for the restaurants to organize their day-to-day records. It helps in keeping a proper file like record of every detail just like a database. Some of the famous Food Ordering Applications in the Market are as follows:

Table-1: Comparison of Various Food Ordering Applications in the market

| S.No. | Name of the Application | Originated in | Delivers | Online Menus provided | Expansion of their outlets | Charges for Delivery |
|-------|-------------------------|-----------------|----------|-----------------------|----------------------------|----------------------|
| 1 | Swiggy | India, 2014 | Yes | Yes | 5,000 Restaurants | Yes |
| 2 | UberEats | USA, 2014 | Yes | Yes | 46,100 Outlets | Yes |
| 3 | Faasos | India, 2011 | Yes | Yes | 200 Stores | No |
| 4 | Pizza Hut | USA, 1958 | Yes | Yes | 1,300 Outlets | No |
| 5 | Domino's | India, 1960 | Yes | Yes | 800 Outlets | No |
| 6 | Zomato | Portugal, 2008 | Yes | Yes | 10,000 Restaurants | No |
| 78 | Seamless | USA, 1999 | Yes | Yes | 12,000 Stores | Yes |
| 9 | Foodpanda | Singapore, 2012 | Yes | Yes | 12,000 Restaurants | Yes |
| 10 | Grubhub | USA, 2004 | Yes | Yes | 80,000 Restaurants | No |
| 11 | Eat Fit | India, 2016 | Yes | Yes | 100 Outlets | Yes |

3.3 Strengths of Food Ordering Applications :

- (1) **It is Quick, Easy and Comfortable :** In brief words, your users can select and order food from the app as it is just at their fingertips. Over 97% millennials usually make use of their smartphones for just about anything. And ordering food online just straight up falls into that broad criteria. Even layman can access these applications with no or less prior knowledge about them.
- (2) **Online Food Ordering is available 24/7 :** Your restaurant or diner may not open be open 24/7, but your online system surely is and it can make you money even when you are sleep. It gives your customers flexibility to place orders whenever it's the most convenient for them. This can also help in scaling up your order size as users choose a preferred pickup time so, when you are open you already have a to-do list to review and start working on.
- (3) **Online Menu List is Simpler to Maintain :** This is because if you want to make any new changes to the menu by adding new items or removing a few of them, you can just do that by going to the database. According to NPR, online customers tend to spend, 4% more money, on average. It gives flexibility to make changes whenever you feel like to keep up with new trends plus, daily promotions can be set up easily as well as the advertising in-stock food products.
- (4) **Paper-free Transactions :** As everything, starting from placing order to getting it delivered at your doorstep the transactions are paper-less which promotes being friendly to environment.
- (5) **No Misunderstandings and no Frustrations :** With online food ordering, all the orders placed by the users with any hassle or noise leads to accurate order details. Mostly because of the noise, all it takes one easy mistake to compromise the order an frustrate the user.
- (6) **Visually Pleasant and Stimulating to ALL Customers :** The interfaces are usually pleasing to eyes which increases the hunger of already hungry customers. Also they tend to order more than they actually require which can significantly fuel your accounts. As the saying goes, the first bite is with the eye.

IV. RESULTS AND DISCUSSION

4.1 Swiggy :

(a) **Founders** : Swiggy was founded in August, 2014 by **Nandan Reddy, Sriharsha Majety and Rahul Jaimini**. Nandan Reddy and Sriharsha Majety both are the alumni of Birla Institute of Technology and Science (BITS), Pilani while Rahul Jaimini is an alumnus of IIT Kharagpur. They had found the requirement of an online hyperlocal logistics company in the restaurant business.

Swiggy begin its journey from Bengaluru with only 6 delivery executives and just 25 restaurants. In the span of 3 years, it has come up with more than 6,000 delivery outlets across India in over 8 cities like Mumbai, Hyderabad, Pune, Chennai, Delhi and Kolkata.

(b) **Business Model** : Swiggy has 2 vital earning streamlet:

- (i) The vital area of Swiggy's earning is from the commission it gets from restaurants for lead generation and also for serving as a delivery partner.
- (ii) It chargers a nominal delivery fee from its consumers on orders below a threshold value which is around 200 rupees for most cities.

(c) **Funding** : Swiggy is backed up by one of the great investors in the market. It has raised a whole of 75.5 million dollars in funding from a variety of investors which includes Apoletto, SAIF Partners, Accel Partners, Bessemer Venture Partners, Harmony Venture Partners and Norwest Venture.

(d) **Competitors** : The Indian Food Delivery market is valued around at 15 billion dollars and is also set up for an massive exponential growth. Hence, it has become a competitive market in India. Swiggy is in direct competition with other food aggregators like Zomato and also small food start-ups like Faasos and Foodpanda. Now even UberEats has launched its outlets in Mumbai and Google has its hyperlocal services and meal delivery applications Aero in Mumbai and Bengaluru. The competition is tending to get more tougher for swiggy so, its major agenda to keep up with its market share is to put more focus on the 8 major cities which are Pune, Mumbai, Kolkata, Chennai, Delhi etc.

(e) **Marketing Strategies** : Swiggy makes use of both online and offline marketing strategies for its growth in the market. It creates campaigns on social media like Instagram, Facebook, Youtube etc which includes #SingwithSwiggy, #DiwaliGhayAyi etc and Know your food series of images and food strolls in a local area. The organization has built its own brand awareness and connects with its users on regular basis through these. Their Facebook page is quite active and updates regularly about discounts and attractive offers. It is not only engaging its audience for orders but also for solving grievances to taking the feedback.

(f) **Success Element** :

- Working and operating in a given Time Frame
- Single Window for Ordering
- Top quality Services and assurance
- No looking back

4.2 Zomato :

(a) **Founders** : Zomato was founded in 2008 by Mr. Deepinder Goyal. It is a food outlet platform giving in-depth details with autonomous ratings and reviews. It was initially named Foodiebay when started but, it was changed to Zomato as we know today, in November 2010 to raise their reach amongst the audience. Its vision is to expand to more than 50 countries.

(b) **Target Audience** : The major target audience of Zomato is between the ages of 18-35 , in short the people who often want eat out with their family and friends. It targets those audience who refer to ratings and reviews and want to take decision of the place is good or not.

- (c) **Funding** : Zomato has raised a total of \$ 914.6 million in funding over 17 rounds. Their latest funding was raised on April 6th, 2020 from a Series J round. Valued at \$3 billion, leading food ordering app Zomato announced it has secured \$150 million in fresh funding from Ant Financial, a subsidiary of Chinese-based giant company Alibaba.
- (d) **Marketing Strategies** :To increase their audience across the globe and manage page traffic efficiently. It is a featured and user friendly website with a global website application. It focuses on digital marketing channels for potential customers. Increasing sales with the help of Coupons and price-offs.
- (e) **Success Element** :
- Funding from an experienced source
 - Efficient employees and faithful customers
 - Strong content platform
 - Good Rating and review mechanism with social platforms.

4.3 Effect of Food Ordering Applications on Restaurant Industry :

- (1) **Sales** :The applications have in-built cross selling and purchasing items. There is no pressure to order as there is no long queues waiting behind, so the customers spend more time on the menu and this turns out to be good for your business. Add-On items on the menu list tend to get better sales, online.
- (2) **Users Experience** :It is a well known fact that if customers like your services, they are likely to come back for more and also recommend it to their friends and colleagues. They directly become your best advertisers. So, you need to commit to a service that makes them coming back. When customers pick their phones to use your online system, they do it at their own convenience. By making use of online system you not only deliver food orders to users promptly but also forge an remarkable connection which adds value to your brand.
- (3) **Stockpile** :Your ordering system will also manage the margins as your restaurants orders don't go through a third-part platforms. Getting a online ordering system gives a competitive edge over others. Also, online transactions prove to be beneficial as there is no stress of theft and promotes cashless transactions promoting saving of environment.
- (4) **Productivity** : Instead of procrastinating time taking orders over the phones, orders can directly be received online and the received orders from the consumers have matchless accuracy. This single feature helps in boosting the employee productivity and creates a superior in-house experience for the users in the restaurant. By making use of the online systems, you can shorten the length of the queues as the counters very effectively.

4.4 Advantages & Disadvantages of Food Ordering Apps on Restaurant Industry :

➤ Advantages :

- (i) It is fast, simple and hassle-free.
- (ii) Restaurant owners smile ear-to-ear seeing the profit graph.
- (iii) Cashbacks, Coupons for discounts and variety of offers on orders.
- (iv) Urban diners reach out to more and more remote foodies.
- (v) Efficient customer and order processing management.

➤ Disadvantages :

- (i) Delivery boys put themselves in danger.
- (ii) Disguised increased expenses.
- (iii) Revenue and sales conflict between the restaurants and delivery providers threatening to tear down their partnerships.

V. CONCLUSION

The rapid modernization with the connection of working class in the urbanized localities and revelation to the westernized culture is volumizing the growth of Food Ordering Applications and restaurant industry in India. The users comfort is the primary goal facet about such, whereas the second thing these software's are also helpful for the growth of the eating and food providing trade, as the usage of online system a place where the restaurant owner is ready to invite as many users he can by permitting them to see the whole food menu in conjunction with item name, price, image etc. Above all these, the whole process is un-complicated for either sides of the order committee. Food Ordering Applications have turned out to be a huge success in India as people are well-informed about all its functioning and services. It is one of the most convenient and trusted options available as one can order food for any type of occasion such as: children's birthday parties, office/company's parties, weddings etc. This helps in saving peoples times, energy, fuel and efforts which is one of the main reasons why this sector is flourishing and will tend to do so. Most popular features of Food Ordering Apps which make them even more likeable include: Online Catalogue, Geolocation, Online Orderings and Payments, Scheduled Delivery, Push Notifications and Loyalty Programs. Also the Food Ordering Systems can be categorized into 4 types: Local delivery, Third-Party delivery from diners, Grocery delivery and Combination of restaurant and home cooking delivery. Businesses to maintain their stability and their brand value in customer's minds, will take the gigantic offer of the great Indian Food Market.

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